MESINDUS VENTURES PRIVATE LIMITED

FINANCIAL STATEMENTS

31 MARCH 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MESINDUS VENTURES PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **MESINDUS VENTURES PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2021, the statement of Profit and Loss (including the Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information identified above and in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the report containing other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statement in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in the Paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, based on our audit we report that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   d) in our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) on the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) with respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

   g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the information and explanations given to us by the Company, the remuneration paid by the Company to its managerial personnel during the year, is in accordance with the provisions of section 197 of the Act.

   h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company does not have any pending litigations which would impact its financial position;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note No. 28 to the Standalone financial statements; and

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm Registration Number: 107783W/W100593

Sudhir Prabhu K
Partner
Membership Number: 209589

UDIN: 21209589AAAAAJ3553

Place: Bengaluru
Date: April 29, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

In terms of the Annexure "A" referred to in our report to the members of the **MESINDUS VENTURES PRIVATE LIMITED** ("the Company") on the standalone financial statements for the year ended March 31, 2021, we report that:

i)
   a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) According to the information and explanation given to us, fixed assets have been physically verified by the Management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not own any freehold immovable properties and the company does not have any lease/sublease deed on leasehold land registered in the name of the Company.

ii) The inventory has been physically verified by the management at the year end and in our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii) As per the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, LLP's or other parties listed in the register maintained under Section 189 of the Act. Consequently requirements of clause 3(iii)(a),(b) and (c) of the Order are not applicable to the Company.

iv) As per the information and explanation given to us, the Company has not given any loans, investments, guarantees and security covered under section 185 and 186 of the Companies Act 2013. Consequently, the requirement of clause 3(iv) of the order is not applicable to the Company.

v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, provision of clause 3(v) of the Order is not applicable to the Company. There are no orders from Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vi) The central government has not prescribed maintenance of cost records to the company under sub-section (1) of Section 148 of the Act. Consequently, reporting of clause 3(vi) of the Order is not applicable to the Company.

vii) a) According to the information and explanations given to us and on the basis of our examination of the records, the company during the year is generally regular in depositing with appropriate authorities amounts deducted / accrued in the books of account in respect of undisputed statutory dues such as tax deducted at source, Employees Provident Fund, professional tax, Goods and services tax and other statutory dues applicable to it though there have been certain delays in depositing statutory dues with regard to Employees provident fund, professional tax, Goods and services tax. As explained to us, the Company did not have any dues on account of employees' state insurance, sales tax, value added tax, service tax and duty of excise.

According to the information and explanations given to us, no undisputed statutory dues were outstanding for a period of more than six months, as on the last day of the financial year.

b) According to the information and explanation given to us and records of the Company, there are no dues of income tax, goods and service tax, sales tax, service tax, duty of customs, value added tax or cess or other material statutory dues which have not been deposited on account of any dispute.

viii) According to the information and explanation given to us and records of the Company, the Company has not borrowed any loans from financial institutions, banks and Government. Further, the Company has not defaulted in repayment of dues to debenture holder.

ix) According to the information and explanation given to us and records of the Company, during the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The company during the year has not taken term loans from banks and financial institutions hence question of utilization of term loans does not arise.

x) During the course of examination of books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across with any material fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have been informed of such case by the Management.

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the adequate approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the company.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company, during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, clause 3(xiv) of the Order is not applicable.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act. Accordingly, clause 3(xv) of the Order is not applicable.

xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm Registration Number: 107783W/W100593

Sudhir Prabhu K
Partner
Membership Number: 209589

UDIN: 21209589AAAAAJ3553

Place: Bengaluru
Date: April 29, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to standalone financial statements of **MESINDUS VENTURES PRIVATE LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of Company is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company's internal financial control with reference to these Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to these Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm Registration Number: 107783W/W100593

Sudhir Prabhu K
Partner
Membership Number: 209589

UDIN: 21209589AAAAAJ3553

Place: Bengaluru
Date: April 29, 2021

MESINDUS VENTURES PRIVATE LIMITED

Balance Sheet as at March 31, 2021

Amount in Rupees

Particulars	Note No.	March 31, 2021	March 31, 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	17,72,053	1,12,865
Intangible assets	4	57,981	-
Intangible Assets under Development	4	8,25,25,149	48,02,110
Financial assets			
Income tax assets	20	44,701	-
Total Non-current assets		**8,43,99,884**	**49,14,975**
Current assets			
Financial assets			
- Current Investments	5	2,14,89,699	-
- Trade receivables	6	28,77,826	-
- Loans	7	1,50,000	-
- Cash and Cash Equivalents	10	53,16,799	23,74,639
- Bank balances other than above	11	-	5,00,000
- Others	8	-	1,259
Other current assets	9	74,80,678	4,21,348
Total current assets		**3,73,15,002**	**32,97,246**
Total Assets		**12,17,14,886**	**82,12,221**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	5,99,630	1,00,000
Instruments entirely equity in nature	13	10,91,00,000	-
Other equity	14	(1,26,068)	(79,220)
Total Equity		**10,95,73,562**	**20,780**
Non-current liabilities			
Provisions	16	3,52,035	-
Deferred tax liability (net)	20	17,062	-
Total Non-current liabilities		**3,69,097**	**-**
Current liabilities			
Financial Liabilities			
- Current Borrowings	15	-	35,00,000
- Trade payables	17		
Total Outstanding dues of Micro and Small enterprises		-	-
Total Outstanding dues of creditors other than Micro and small enterprises		9,13,891	20,000
- Others	18	78,00,289	42,99,889
Other current liabilities	19	24,45,407	3,71,552
Provisions	16	6,12,640	-
Total current liabilities		**1,17,72,227**	**81,91,441**
Total liabilities		**1,21,41,324**	**81,91,441**
Total Equity and liabilities		**12,17,14,886**	**82,12,221**
Significant accounting policies and notes to financial statements	1 & 2	-	-

The accompanying notes form an integral part of these financial statements
As per our report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W / W100593

For and on Behalf of the Board of Directors of Mesindus Ventures Private Limited

Sudhir Prabhu K
Partner
Membership No: 209589

Place: Bengaluru
Date: 29.04.2021

Aditi Pany
Whole Time Director
DIN: 08194334

Place: Bengaluru
Date: 29.04.2021

Akhilesh Prasad
Director
DIN: 01757265

Place: Bengaluru
Date: 29.04.2021

MESINDUS VENTURES PRIVATE LIMITED

Statement of Profit and Loss for the year ended March 31, 2021

Amount in Rupees

Particulars	Note No.	April 01, 2020 to March 31, 2021	December 12, 2019 to March 31,
Income			
Other income	21	2,55,596	1,259
Total Revenue		**2,55,596**	**1,259**
Expenses:			
Depreciation and amortization expense	22	-	1,868
Other Expenses	23	2,85,382	78,611
Total expenses		**2,85,382**	**80,479**
Profit before Tax		**(29,786)**	**(79,220)**
Provision for taxes for			
- Current Year		-	-
- Deferred Tax expense /(credit)		17,062	-
		17,062	**-**
Profit / (Loss) for the period		**(46,848)**	**(79,220)**
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified to Profit or Loss			
(i) Remeasurement gains / (Losses) on defined benefit plans		**-**	**-**
(ii) Income Tax effect		**-**	**-**
Other Comprehensive income for the year, net of tax		**-**	**-**
Total Comprehensive income for the year		**(46,848)**	**(79,220)**
Earning per Equity Share -nominal value of Rs. 10/- each.			
(Basic & Dilutive) (in Rs.)		(1.14)	(7.92)
Significant accounting policies and notes to financial statements	**1 & 2**		

The accompanying notes form an integral part of these financial statements
As per our report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W / W100593

For and on Behalf of the Board of Directors of
Mesindus Ventures Private Limited

Sudhir Prabhu K
Partner
Membership No: 209589

Place: Bengaluru
Date: 29.04.2021

Aditi Pany
Whole Time Director
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Place: Bengaluru
Date: 29.04.2021

Akhilesh Prasad
Director
DIN: 01757265

Place: Bengaluru
Date: 29.04.2021

MESINDUS VENTURES PRIVATE LIMITED
Statement of Cashflows for the year ended 31 March 2021

Amount in Rupees

	Particulars	Note No	March 31, 2021	March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit / (Loss) before Tax		**(29,786)**	**(79,220)**
	Non-Cash Adjustments			
	Depreciation and amortisation		-	1,868
	Net (Gain)/Loss arising from Mutual Funds (including amount capitalised)		(9,94,324)	-
	Interest Income (including amount capitalised)		(23,381)	(1,259)
	Operating profit /(loss) before working capital changes		**(10,47,491)**	**(78,611)**
	Adjustment for changes in working capital :			
	Decrease / (increase) in trade receivables, loans and other financial assets		(30,27,826)	-
	Decrease / (increase) Other Current Assets		(70,59,330)	(4,21,348)
	Increase/ (Decrease) in trade payables and other financial liabilities		43,94,290	43,19,889
	Increase/ (Decrease) in other liabilities and provisions		30,38,530	3,71,552
	Cash generated from operations		**(37,01,827)**	**41,91,482**
	Less: Taxes paid (net)		(44,701)	-
	Net cash from / (used in) operating activities		**(37,46,528)**	**41,91,482**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of property, plant and equipment and Intangible assets		(20,28,930)	(1,14,733)
	Purchase of Intangible assets under development		(7,75,28,277)	(48,02,110)
	Proceeds from disposal of property, plant and equipment's		1,16,999	-
	Investments in mutual funds (Net)		(2,12,53,571)	-
	Decrease / (Increase) in Margin money and deposits		5,00,000	(5,00,000)
	Profit from sale of Mutual funds		7,58,197	-
	Interest received		24,640	-
	Net Cash from/ (used in) investing activities		**(9,94,10,942)**	**(54,16,843)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceed from issue of equity shares		4,99,630	1,00,000
	Proceed from issue of optionally convertible debentures (Net of transaction cost)		10,91,00,000	-
	Proceeds from / (Repayment) of current borrowings		(35,00,000)	35,00,000
	Net Cash flow from / (used in) financing activities		**10,60,99,630**	**36,00,000**
D	**Net Increase/(Decrease) in Cash and Cash Equivalents [A+B+C]**		**29,42,160**	**23,74,639**
	Add: Cash and Cash Equivalents at the beginning of the year		23,74,639	-
	Cash and Cash Equivalents as at the end of the year		**53,16,799**	**23,74,639**
			-	-
	Components of Cash and Cash Equivalents:	8		
	Cash in hand		-	-
	Balance with Banks			
	- in current accounts		53,16,799	23,74,639
	Cash and Cash Equivalents at the end of year		**53,16,799**	**23,74,639**

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Statement of Cash Flows.
2. **Changes in liabilities arising from financing activities**

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Current Borrowings		
Opening Balance	35,00,000	-
Proceeds / (repayment) of current borrowings	(35,00,000)	35,00,000
Non-cash fair value changes	-	-
Closing balance	**-**	**35,00,000**

3. The previous year figures have been regrouped and rearranged wherever necessary.

The accompanying notes form an integral part of these financial statements

As per our report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W / W100593

For and on Behalf of the Board of Directors of
Mesindus Ventures Private Limited

Sudhir Prabhu K
Partner
Membership No: 209589

Place: Bengaluru
Date: 29.04.2021

Aditi Pany
Whole Time Director
DIN: 08194334

Place: Bengaluru
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Akhilesh Prasad
Director
DIN: 01757265

Place: Bengaluru
Date: 29.04.2021

MESINDUS VENTURES PRIVATE LIMITED

Statement of changes in Equity for the year ended March 31, 2021

Amount in Rupees

Particulars	Equity Share capital	Instruments entirely equity in nature	Other Equity	Total Equity attributable to equity holders of the Company
			Retained Earnings	
Balance as at December 12, 2019	**-**	**-**	**-**	**-**
Changes in equity for the year ended March 31, 2020				
Issue of Equity share capital	1,00,000	-	-	1,00,000
Profit/ (Loss) for the year	-	-	(79,220)	(79,220)
Remeasurement of the net defined benefit liability net of tax effect	-	-	-	-
Balance as at March 31, 2020	**1,00,000**	**-**	**(79,220)**	**20,780**
Changes in equity for the year ended March 31, 2021				
Issue of Equity share capital	4,99,630	-	-	4,99,630
Issue of 0.0001% Optionally fully convertible debentures (Net of transaction cost)	-	10,91,00,000	-	10,91,00,000
Profit/ (Loss) for the year	-	-	(46,848)	(46,848)
Remeasurement of the net defined benefit liability net of tax effect	-	-	-	-
Balance as at March 31, 2021	**5,99,630**	**10,91,00,000**	**(1,26,068)**	**10,95,73,562**

As per our report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W / W100593

Sudhir Prabhu K
Partner
Membership No: 209589

Place: Bengaluru
Date: 29.04.2021

For and on Behalf of the Board of Directors of
Mesindus Ventures Private Limited

Aditi Pany
Whole Time Director
DIN: 08194334

Place: Bengaluru
Date: 29.04.2021

Akhilesh Prasad
Director
DIN: 01757265

Place: Bengaluru
Date: 29.04.2021

MESINDUS VENTURES PRIVATE LIMITED

Significant accounting policies and notes to financial statements

Company Overview

Mesindus Ventures Private Limited ('the Company') was incorporated on December 12, 2019. The registered office is at 21/21 Craige Park, MG Road, Bangalore - 560001. The Share Capital of the company is held by one individual - Aditi Pany(16.67%) and one public limited company - Reliance Retail Ventures Limited (83.33%). The Company's immediate holding company is Reliance Retail Ventures Limited and ultimate holding company is Reliance Industries Limited. The Company is in the business of providing Technology Enabled solutions in India and abroad. Further the company is involved in providing technology-enabled platform solutions, for wholesale and retail sale of goods and services, dealing (including without limitation) in artisanal, design and lifestyle categories, across domestic and international markets.

1 Significant Accounting Policies

1.01 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation and presentation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values (refer accounting policy regarding financial instruments), the provisions of the Companies Act , 2013 (`Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These financial statements are called "Ind AS Financial Statements".

Company was incorporated on December 12, 2019 and For financial statement of period from December 12, 2019 to March 31, 2020, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The Company has prepared Ind AS financial statements for the first time for the year ended March 31, 2021, together with the comparative period data as at and for the year ended March 31, 2020, as described in the summary of significant accounting policies on a going concern basis. Reconciliations and descriptions of the effect of the transition has been summarized in note 2.

The standalone Ind AS financial statements are presented in 'Indian Rupees' (INR) which is also the Company's functional currency and all values are disclosed to the nearest Rupees, except when otherwise indicated.

(b) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.
An asset is treated as Current when it is –
- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.
A liability is current when:
- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Property, plant and equipment

Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

MESINDUS VENTURES PRIVATE LIMITED

Significant accounting policies and notes to financial statements

1.01 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(c) Property, plant and equipment

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation and amortization

Depreciable amount for assets is the cost of asset less its estimated residual value.

Depreciation on Property, Plant and Equipment is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Asset Type	Estimated useful Life (In Years)
Mobile Phone	2 Years
Furniture & Fixtures	10 Years
Cooler	5 Years
Computer and Data processing Equipment's	3 Years

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the identified asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred, less any lease incentives received. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

(e) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation / depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

• The technical feasibility of completing the intangible asset so that it will be available for use or sale.
• Its intention to complete the asset.
• Its ability to use or sell the asset.
• How the asset will generate future economic benefits.
• The availability of adequate resources to complete the development and to use or sell the asset.
• The ability to measure reliably the expenditure attributable to the intangible asset during development.

The Other Intangible Assets include assets with finite and indefinite useful life. Assets with finite useful life are amortised on a straight-line basis over their expected useful life and assets with indefinite useful lives are not amortised but are tested for impairment annually at the cash generating unit level.

A summary of the policies applied to the company’s intangible assets is, as follows:

Intangible Assets	Useful Life	Amortization Method used	Internally generated or acquired
Softwares	Definite (5 Years)	Straight-line basis	Acquired

MESINDUS VENTURES PRIVATE LIMITED

Significant accounting policies and notes to financial statements

1.01 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(f) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss.

Development costs are capitalized as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

(g) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(i) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to its present location and condition.

Costs of inventories are determined on FIFO Basis.

(j) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(k) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(l) Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

(m) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

MESINDUS VENTURES PRIVATE LIMITED

Significant accounting policies and notes to financial statements

1.01 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(m) Employee Benefits Expense

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurement of Defined Benefit Plans in respect of post-employment are charged to Other Comprehensive Income.

(n) Tax Expenses

The tax expense for the period comprises current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In this case, the tax is also recognised in Other Comprehensive Income or Equity.

i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

ii. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(o) Foreign Currencies Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

(p) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangement, because it typically controls the goods or services before transferring them to the customer.

Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

MESINDUS VENTURES PRIVATE LIMITED

Significant accounting policies and notes to financial statements

1.01 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(p) Revenue Recognition

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period does not exceed 90 days for sale of goods.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its expected value, which is assessed at each reporting period.

Contract Balances

Trade Receivables

A receivable represents the Company’s right to an amount of consideration that is unconditional

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

Dividend Income

Dividend Income is recognised when the Company’s right to receive the amount has been established.

(q) Financial Instruments

i. Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

C. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in ‘Other Comprehensive Income’. However, dividend on such equity investments are recognised in Statement of Profit and loss when the Company’s right to receive payment is established.

MESINDUS VENTURES PRIVATE LIMITED

Significant accounting policies and notes to financial statements

(q) Financial Instruments

i. Financial Assets

D. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:

• The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

• Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii. Financial Liabilities

A. Initial Recognition and Measurement

All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost

B. Subsequent Measurement

Financial Liabilities are carried at amortised cost using the effective interest method.
For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii. Derecognition of Financial Instruments

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(r) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

1.02 Key accounting estimates and judgments

(a) Depreciation / Amortisation and Useful Life of Property, Plant and Equipment / Intangible Assets

Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

(b) Recoverability of Trade Receivable

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

MESINDUS VENTURES PRIVATE LIMITED

Significant accounting policies and notes to financial statements

1.02 Key accounting estimates and judgments

(c) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(d) Impairment of Non-Financial Assets

The company assesses at each reporting period whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

(e) Impairment of Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

(f) Recognition of Deferred Tax Assets and liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgment to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

(g) Estimation uncertainty relating to the Global health pandemic on COVID -19

The impact of COVID-19 on the business operations for the Company is not significant as those were continuing normally. Further company is in initial stages of operation and engaged in 'Global B2B E-commerce' primarily catering to consumers globally under various consumption baskets. Global B2B E-commerce business is largely not materially impacted by COVID-19. Management has performed the assessment of the effect of COVID-19 on the recoverability of the value of assets as at the end of the year and liquidity position as well as business activities in the foreseeable future. Based on the assessment, the management is of the opinion that presently there are no significant concerns regarding recoverability of the value of the assets as well as on liquidity and continuity of the business. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions.

B Significant judgments :

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

(a) Intangibles under development

The Company has been developing the Technology enabled solutions for the purpose of its business consisting of a 'Global B2B E-commerce platform connecting vendors and customers having various Application programming Interfaces developed extensively. Expenses relating to development of intangibles, net of income earned during the project development stage are considered as development cost and accounted as Intangible under development. The Company shall capitalise the assets when they are available for use and are working in the manner as intended by the management. Amortization of the asset begins when development is complete and the asset is available for use in the manner as intended by the management. The assets shall be considered as being available for intended use; when the Key Performance Indicators (KPIs) laid down by the management is achieved. Expenses include cost for acquiring customers and cost incurred for testing the smooth functioning of the platform which is critical to asset functioning as intended by the management. The basic website has been launched, which is pending development of sustainable platform that is being developed for sustainable and smooth business functioning. For details refer Note No. 4.

(b) Recognition of portion of income in Profit and Loss

The Management has earmarked portion of investments for meeting the day to day general and administrative expenses, income from which is considered in the profit and loss account. For details refer Note No. 4 and 21.

MESINDUS VENTURES PRIVATE LIMITED

2 First Time adoption of IND AS 101

The Company during the year has become an subsidiary of Reliance Retail Ventures Limited and accordingly a ultimate subsidiary of Reliance Industries Limited a listed entity. Accordingly the Company is required to prepare its financial statement in accordance with Ind AS.These are the Company's first financial statements prepared in accordance with Ind AS on adoption. The Company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 ('previous GAAP') for the year ended March 31, 2020,.

The Company accordingly, has prepared financial statements which comply with Ind AS applicable for the periods ending March 31, 2021 along with comparative period as at and for the year ended March 31, 2020 as described in the summary of significant accounting policies. The Company was Incorporated on December 12, 2019 and year ending March 31, 2020 is considered as the Company's year of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements.

Ind AS 101 First-time Adoption of Indian Accounting Standards, requires an entity to disclose the optional exemption and mandatory exemptions claimed under IND AS, reconcile equity, total comprehensive income , cash flows and retained earnings for prior period. The Company was incorporated on December 19, 2019 and the financial statements for the period December 19, 2019 to March 31, 2020 was drawn for the first year and operations were not significant in the first period of operations which were restricted to the development of the Intangible Asset whose cost was capitalized and was not significantly different from the requirements of Ind AS. The estimates at March 31, 2020 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

The Company accordingly has neither claimed any mandatory or optional exemptions nor there is no Gap difference which warrants reconciliation in respect of equity, total comprehensive income, cash flows and retained earnings, hence no separate disclosure / reconciliation is given.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

3 Property Plant and Equipment

Amount in Rupees

Details	Furniture and Fixtures	Computers	Office Equipment's	Total
Gross block				
As at December 12, 2019	**-**	**-**	**-**	**-**
Additions	43,142	71,591	-	**1,14,733**
Disposals / Adjustments	-	-	-	**-**
Impairment Losses	-	-	-	**-**
As at March 31, 2020	**43,142**	**71,591**	**-**	**1,14,733**
Additions	2,27,373	17,11,492	24,870	**19,63,735**
Disposals / Adjustments	-	1,46,859	-	**1,46,859**
Impairment Losses	-	-	-	**-**
As at March 31, 2021	**2,70,515**	**16,36,224**	**24,870**	**19,31,609**
Depreciation				
As at December 12, 2019	**-**	**-**	**-**	**-**
Charge for the year	291	1,577	-	**1,868**
Disposals / Adjustments	-	-	-	**-**
As at March 31, 2020	**291**	**1,577**	**-**	**1,868**
Charge for the year	7,393	1,67,125	1,806	1,76,324
Disposals / Adjustments	-	18,636	-	**18,636**
As at March 31, 2021	**7,684**	**1,50,066**	**1,806**	**1,59,556**
Net block				
As at March 31, 2020	**42,851**	**70,014**	**-**	**1,12,865**
As at March 31, 2021	**2,62,831**	**14,86,158**	**23,064**	**17,72,053**

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

4 Intangible Assets and Intangible Assets under Development

Amount in Rupees

Details	Computer Software	Intangible Assets under Development
Gross block		
As at December 12, 2019	**-**	**-**
Additions	-	48,02,110
Disposals / Adjustments	-	-
Impairment Losses	-	-
As at March 31, 2020	**-**	**48,02,110**
Additions	65,195	7,77,23,039
Disposals / Adjustments	-	-
Impairment Losses	-	-
As at March 31, 2021	**65,195**	**8,25,25,149**
Amortisation		
As at December 12, 2019	**-**	**-**
Charge for the year	-	-
Disposals / Adjustments	-	-
As at March 31, 2020	**-**	**-**
Charge for the year	7,214	-
Disposals / Adjustments	-	-
As at March 31, 2021	**7,214**	-
Net block		
As at March 31, 2020	**-**	**48,02,110**
As at March 31, 2021	**57,981**	**8,25,25,149**

Notes :

a. The Company has been developing the Technology enabled solutions for the purpose of its business consisting of a ‘Global B2B E-commerce platform connecting vendors and customers having various Application programming Interfaces developed extensively. Expenses relating to development of intangibles, net of income earned during the project development stage are considered as development cost and accounted as Intangible under development. The Company shall capitalise the assets when they are available for use and are working in the manner as intended by the management. Amortization of the asset begins when development is complete and the asset is available for use in the manner as intended by the management. The assets shall be considered as being available for intended use; when the Key Performance Indicators (KPIs) laid down by the management is achieved. Expenses include cost for acquiring customers and cost incurred for testing the smooth functioning of the platform which is critical to asset functioning as intended by the management. The basic website has been launched, which is pending development of sustainable platform that is being developed for sustainable and smooth business functioning. The Management has ear marked portion of investments for meeting the day to day general and administrative expenses, income from which is considered in the profit and loss account. Intangible assets under development includes development expenditure of Rs 8,25,25,149 [March 31, 2020 : Rs. 48,02,110]

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

5 Current Investments

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Investments at fair value through profit or loss		
Investment in Mutual Funds (Quoted)		
Mutual fund units - Aditya Birla Sun Life low duration fund Growth Direct Plan 38,925.671 Units [March 31, 2020 : NIL units]	2,14,89,699	-
Total	**2,14,89,699**	**-**

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Aggregate value of Quoted investments	2,14,89,699	-
Market Value of Quoted Investments	2,14,89,699	-

6 Trade Receivables

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Current :		
Considered good, unsecured		
-Receivable from others	27,70,701	-
-Related parties	1,07,125	-
Receivables which have significant increase in Credit Risk [Refer Note (e.) below].	-	-
Receivables which are credit impaired [Refer Note No (e.) below].	-	-
Total	**28,77,826**	**-**

Notes :

a. There are no trade or other receivables that are due from directors or other officers of the Company either severally or jointly with any other person. There are no trade or other receivable due from firms or private Companies respectively in which any director is a partner, a director or a member.

b. The fair value of Trade receivables is not materially different from the carrying value presented.

c. Expected Credit Loss (ECL) :
Allowances, if any, for doubtful debts are recognized against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Company provides loss allowance on receivables which do not contain a significant financing component based on expected credit loss model which is measured following the "simplified approach" at an amount equal to the lifetime expected credit loss at each reporting date. In case of trade receivables containing a financing component, the Company measures the loss allowance at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition otherwise at twelve month expected credit losses if the credit risk has not increased.

d. Credit Concentration:
As at March 31, 2021, the trade receivables constitute receivable from domestic as well as foreign country customers against sale of goods

e. The Company has assessed the credit risk of the trade receivables amounting to Rs. 28,77,826.00/- on an individual basis and is of the view that there are no trade receivables which are credit impaired or have a significant increase in credit risk.

7 Loans

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Current :		
(Un-secured, considered good)		
Deposits with Others	1,50,000	-
Loans which have significant increase in Credit Risk [refer note (b.) below].	-	-
Loans Receivables - credit impaired [refer note (b.) below].	-	-
Total	**1,50,000**	**-**

Note :

a. Fair Value of Loans are not materially different from their carrying value.

b. There are no other loan receivables which are credit impaired or which have a significant increase in credit risk based on the assessment made by the Company.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

8 Other Financial Assets

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Current :		
Interest accrued but not due on deposits	-	1,259
Total	**-**	**1,259**

Fair Value of Other Financial Assets are not materially different from their carrying value.

9 Other Assets

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Current:		
Advances towards Goods / Services:		
Others		
- Unsecured, considered good	67,572	-
Receivable from Government authorities*	74,13,106	4,21,348
Total	**74,80,678**	**4,21,348**

* Includes GST input credit entitlement and refund entitlement on export of goods.

10 Cash and Cash Equivalents

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Balances with banks		
- In current accounts	53,16,799	23,74,639
Cash on hand	-	-
Total	**53,16,799**	**23,74,639**

11 Other bank balances

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
- In margin money deposits with maturity less than 12 months *	-	5,00,000
Total	**-**	**5,00,000**

* - Lien against Corporate Credit Card.

12 Share Capital

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Authorized Capital		
70,000 [March 31, 2020 : 10,000] Equity Shares of Rs. 10 each	7,00,000	1,00,000
	7,00,000	**1,00,000**
Issued, Subscribed and Paid-Up Capital		
59,963 [March 31, 2020 : 10,000] Equity Shares of Rs. 10 each fully paid up	5,99,630	1,00,000
Total	**5,99,630**	**1,00,000**

a. Terms, rights, preferences and restrictions attached to shares:

The Company has one class of equity shares having par value of Rs. 10/- each. On show of hands every equity shareholder is entitled to one vote and on poll every member, present in person or by proxy, shall have one vote for every share of which he is the holder.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution of any of the remaining assets will be in proportion to the number of equity shares held by the equity shareholders.

b. Restriction on distribution of Dividends

The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting, except in case of Interim dividend. Upon such recommendation shareholders shall declare dividends as follows -

a. All such dividends & profits shall be paid to shareholders in their existing shareholding pattern.

b. Any such dividend or other distribution shall be based on profit generated by the Company or on appropriate basis permitted by the applicable laws.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

c. **Reconciliation of the number of shares outstanding :**

Particulars	Equity Shares	
	No. of Shares	Amount in Rupees
As at December 12, 2019	**-**	**-**
Add : Issued during the year	10,000	1,00,000
As at March 31, 2020	**10,000**	**1,00,000**
Add : Issued during the year	49,963	4,99,630
As at March 31, 2021	**59,963**	**5,99,630**

d. **Shares in the Company held by each shareholder holding more than 5 % shares :**

Name of the Share holder	March 31, 2021		March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Aditi Pany	9,994	16.67%	5,000	50.00%
Shariq Mahomed Nasir Plasticwala	-	0.00%	5,000	50.00%
Reliance Retail Ventures Limited (Includes 5 Nominees holding 1 share each)	49,969	83.33%	-	0.00%

e. **Shares held by holding/ultimate holding company and subsidiary/associates of holding/ultimate holding company :**

Name of the Share holder	March 31, 2021		March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Reliance Retail Ventures Limited (Includes 5 Nominees holding 1 share each)	49,969	83.33%	-	-

13 Instruments entirely equity in nature

		Amount in Rupees
Particulars	**March 31, 2021**	**March 31, 2020**
0.0001% Optionally fully convertible debentures		
10,950 [March 31, 2020 : Nil] of Rs. 10,000 each fully paid up	10,91,00,000	-
Total	**10,91,00,000**	**-**

		Amount in Rupees
Particulars	**March 31, 2021**	**March 31, 2020**
Opening balance	-	-
Add : Optionally fully convertible debentures issued during the year	10,95,00,000	-
Less : Transaction cost arising on issue of debentures	(4,00,000)	-
Closing Balance	**10,91,00,000**	**-**

a. **Terms, rights, preferences and restrictions attached to Optionally fully convertible debentures:**

During the financial year 2020-21 company has issued 4,950 and 6,000 i.e. 10,950 optionally fully convertible debentures to its shareholder on August 18, 2020 and December 18, 2020 respectively. The debentures shall carry non cumulative interest rate of 0.0001% per annum. At the option of the company these debentures shall be convertible into 1 preference shares and further 10 preference shares shall be convertible into 1 equity shares within 10 years from the date of issue.

Further these optionally convertible debentures (OFCD) may be redeemed at any time earlier than 10 years after expiry of 30 days from the date of allotment of OFCD at the option of the Company.

b. **Reconciliation of the number of Optionally fully convertible debentures outstanding :**

Particulars	Optionally fully convertible debentures	
	No. of Debentures	Amount in Rupees
As at December 12, 2019	**-**	**-**
Add : Issued during the year	-	-
As at March 31, 2020	**-**	**-**
Add : Issued during the year	10,950	10,95,00,000
As at March 31, 2021	**10,950**	**10,95,00,000**

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

c. Optionally fully convertible debentures in the Company held by each debenture holder holding more than 5 % :

Name of the Share holder	March 31, 2021		March 31, 2020	
	No. of debentures	% of Holding	No. of debentures	% of Holding
Reliance Retail Ventures Limited	10,950	100.00%	-	0.00%

d. Optionally fully convertible debentures held by holding/ultimate holding company and subsidiary/associates of holding/ ultimate holding company :

Name of the Share holder	March 31, 2021		March 31, 2020	
	No. of debentures	% of Holding	No. of debentures	% of Holding
Reliance Retail Venture Limited	10,950	100%	-	0.00%

14 Other Equity

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Retained Earnings		
Opening balance	(79,220)	-
Add: Profit / (Loss) for the year	(46,848)	(79,220)
Add : Other Comprehensive Income	-	-
Closing Balance	**(1,26,068)**	**(79,220)**
Total	**(1,26,068)**	**(79,220)**

a. Nature and Purpose of Reserves :

i. Retained Earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends are distributed during the current financial year by the Company.

b. Debenture Redemption Reserve (DRR)

During financial year 2020-21 Company has issued Optionally fully convertible debentures (OFCD). In view of the accumulated losses and intention of the management to convert the OFCD into shares, debenture redemption reserve is not created by company.

15 Current Borrowings

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Unsecured		
Loan from Director [Refer Note (a) below]	-	35,00,000.00
Total	**-**	**35,00,000.00**

Notes:

a. Loan taken from Director is Interest free and repayable on Demand.

16 Provisions

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Non Current:		
Provision for employee benefits		
- Gratuity [Refer Note no. 30 (c)]	3,52,035	-
Total	**3,52,035**	**-**
Current:		
- Gratuity [Refer Note no. 30 (c)]	1,299	-
- Leave Encashment [Refer Note no. 30 (d)]	6,11,341	-
Total	**6,12,640**	**-**

17 Trade Payables

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Payable towards goods and services		
- to micro and small enterprise [Refer Note (a.) below].	-	-
- to related parties	1,237	-
- to others	9,12,654	20,000
Total	**9,13,891**	**20,000**

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

Notes :

a. The Management is in continuous process of obtaining confirmations from its vendors regarding their registrations under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). On the basis of information and records available with the company, the following disclosures are made for the amounts due to Micro and Small Enterprises ('the enterprises'). Further, in view of the management, the impact of interest, if any, that may be payable in accordance with the provision of the Act are not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Amount in Rupees

Particulars	**March 31, 2021**	**March 31, 2020**
a) (i) Principal amount due to the enterprises remaining unpaid to the supplier	-	-
a) (ii) Interest due thereon to the enterprises remaining unpaid to the supplier	-	-
b) Amount of interest due and payable for the period of delay in making payment (which has been paid but not beyond the appointed date during the year) but without adding the interest specified under the MSMED Act	-	-
c) Payment made to the enterprises beyond appointed date under Section 16 of MSMED	-	-
d) The amount of Interest accrued (not accounted in the books) and remaining unpaid at the end of each accounting year; and	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act	-	-

b. For explanation on the Company's credit risk management processes, refer note no. 25.

c. The fair value of trade and other payables are not materially different from the carrying value presented.

18 Other Financial liabilities

Amount in Rupees

Particulars	**March 31, 2021**	**March 31, 2020**
Current		
Salaries and other employee benefits payable	23,16,767	9,11,669
Creditors for capital expenditure*	54,83,522	33,88,220
Total	**78,00,289**	**42,99,889**

* for micro and small enterprise disclosure [Refer Note 17(a) above].

19 Other liabilities

Amount in Rupees

Particulars	**March 31, 2021**	**March 31, 2020**
Current:		
Advance received from Customers	9,15,266	-
Statutory dues payable	15,30,141	3,71,552
Total	**24,45,407**	**3,71,552**

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

20 Income tax

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

20.01 Income tax expense in the statement of profit and loss comprises:

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Profit or loss section		
Tax for Current Year	-	-
Deferred Tax expense / (credit)	17,062	-
Tax expense / (credit) to Statement of Profit and Loss	**17,062**	**-**
Other comprehensive income section (OCI)		
Deferred tax related to items recognized in OCI during in the year:		
Tax effect on re-measurement gains (losses) on defined benefit plans	-	-
Tax expense / (credit) to Other Comprehensive Income	**-**	**-**
Tax expense / (credit) to Total Comprehensive Income	**17,062**	**-**

20.02 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

Amount in Rupees

Particulars		March 31, 2021	March 31, 2020
Profit before tax		(29,786)	(79,220)
Applicable tax rate		25.168%	25.168%
Tax effect of income / (loss)	**(a)**	**(7,497)**	**(19,938)**
Adjustments			
Deferred Tax (derecognized) / recognised during the year		17,062	-
Tax effect on non-taxable income		(14,857)	-
Tax effect on non-deductible expenses		15,101	-
Tax effect on remeasurement of actuarial gains /(losses)		-	-
Other adjustments		27,191	-
	(b)	**44,497**	**-**
Tax expense / (credit) to Statement of Profit and Loss	**(c)=(a)+(b)**	**37,000**	**(19,938)**
Deferred tax not recognised / (reversed) on carry forward unabsorbed losses	(d)	(19,938)	19,938
Tax expense / (credit) to Statement of Profit and loss	**(c)+(d)**	**17,062**	**-**
		-	-

20.03 Income tax assets / (liability) (net)

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Opening Balance receivable / (payable)	-	-
Current tax payable for the year	-	-
Refund received during the year	-	-
Current taxes paid	44,701	-
Closing Balance receivable / (payable)	**44,701**	**-**
Breakup of Income tax assets / liability (net)		
Prepaid Income tax (net)	44,701	-
Provision for Income tax (net)	-	-
Total	**44,701**	**-**

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

20.04 Major component of deferred tax assets and liabilities for the year ended March 31, 2021 and March 31, 2020

Amount in Rupees

Particulars		For the year ended		As at	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred Tax Liabilities					
- Property Plant and Equipment and Intangibles (including intangibles under development)		3,50,650	3,676	3,54,326	3,676
- Fair valuation of investment		59,429	-	59,429	-
- Re-measurement gains under OCI		-	-	-	-
	(a)	**4,10,079**	**3,676**	**4,13,755**	**3,676**
Deferred Tax Assets					
- Unabsorbed Business Losses		7,253	19,468	26,721	19,468
- Unused Depreciation Allowance		1,07,935	4,146	1,12,081	4,146
- Deductible expenses		2,57,891	-	2,57,891	-
- Taxable Income		-	-	-	-
- Re-measurement gains under OCI		-	-	-	-
	(b)	**3,73,079**	**23,614**	**3,96,693**	**23,614**
Deferred tax asset not recognised/ (reversed) (refer note below)	**(c)**	19,938	(19,938)	-	(19,938)
Net deferred tax (assets) / liability	**(d)=(a-b-c)**	**17,062**	**-**	**17,062**	**-**

Note:- The Company was in the very early stage after incorporation and had also not started operations and the management of company has decided to not to recognise deferred tax asset in the year ending March 31, 2020, which has been reversed in the current year.

20.05 The unused business loss and allowances is allowable in future period against taxable profit as follows:

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Unused depreciation allowances available for future taxable profit for unlimited period	4,45,335	16,475
Unused business loss (expected to expire from FY 2027-28)	1,06,170	77,352

20.06 Reconciliations of deferred tax liabilities /(assets)

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Opening balance	-	-
Tax expense /(credit) during the period recognized in profit or loss	17,062	-
Tax expense /(credit) during the period for component of equity	-	-
Tax expense /(credit) during the period recognized in OCI	-	-
Closing balance	**17,062**	**-**

20.07 Movement of deferred tax liability / (asset) on other comprehensive income

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Opening Balance	-	-
Additions during the year	-	-
Closing Balance	-	-

20.08 Movement of deferred tax liability / (asset) recognised directly in equity

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Opening balance	-	-
Add: Deferred tax recognised in equity during the year	-	-
Less: Deferred tax adjusted for changes in tax rates	-	-
Closing balance of deferred tax on equity	-	-

20.09 The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

21 Other Income

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Interest on Bank / Margin Money Deposits	7,015	1,259
Net Gain arising on financial assets measured at FVTPL*	2,48,581	-
Miscellaneous Income	-	-
Total	**2,55,596**	**1,259**

* Includes gain on sale of financial assets measured at FVTPL for Rs 189,550 (Previous year NIL).

Note: For details on income recognition refer note 4(a).

22 Depreciation and amortization expense

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Depreciation on property, plant & equipment	-	1,868
Amortization of intangible assets	-	-
Total	**-**	**1,868**

23 Other Expenses

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Rates and taxes	7,625	-
Registration and filing fees	15,983	-
Professional and Consultancy	34,500	23,700
Communication expenses	2,600	-
Payments to Auditor		
- Audit Fees	2,00,000	20,000
Technology Expenses	-	4,428
Miscellaneous Expenses	24,674	30,483
Total	**2,85,382**	**78,611**

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

24 Financial Instruments:

(i) Financial instruments by category

Financial instruments comprise financial assets and financial liabilities.

a) The carrying value and fair value of financial instruments by categories as of March 31, 2021 are as follows :

Amount in Rupees

Particulars	Refer Note No.	Amortized cost	Fair value through profit or loss	Fair value through OCI	Total carrying value	Total fair value
Financial assets :						
Trade Receivables	6	28,77,826	-	-	28,77,826	28,77,826
Current Investments	5	-	2,14,89,699	-	2,14,89,699	2,14,89,699
Cash and Cash equivalents	10	53,16,799	-	-	53,16,799	53,16,799
Bank balances other than above	11	-	-	-	-	-
Loans	7	1,50,000	-	-	1,50,000	1,50,000
Other financial assets	8	-	-	-	-	-
Total		**83,44,625**	**2,14,89,699**	**-**	**2,98,34,324**	**2,98,34,324**
Financial liabilities :						
Current Borrowings	15	-	-	-	-	-
Trade payables	17	9,13,891	-	-	9,13,891	9,13,891
Other financial liabilities	18	78,00,289	-	-	78,00,289	78,00,289
Total		**87,14,180**	**-**	**-**	**87,14,180**	**87,14,180**

b) The carrying value and fair value of financial instruments by categories as of March 31, 2020 are as follows :

Amount in Rupees

Particulars	Refer Note No.	Amortized cost	Fair value through profit or loss	Fair value through OCI	Total carrying value	Total fair value
Financial assets :						
Trade Receivables	6	-	-	-	-	-
Current Investments	5	-				
Cash and Cash equivalents	10	23,74,639	-	-	23,74,639	23,74,639
Bank balances other than above	11	5,00,000	-	-	5,00,000	5,00,000
Loans	7	-	-	-	-	-
Other financial assets	8	1,259	-	-	1,259	1,259
Total		**28,75,898**	**-**	**-**	**28,75,898**	**28,75,898**
Financial liabilities :						
Current Borrowings	15	35,00,000	-	-	35,00,000	35,00,000
Trade payables	17	20,000	-	-	20,000	20,000
Other financial liabilities	18	42,99,889	-	-	42,99,889	42,99,889
Total		**78,19,889**	**-**	**-**	**78,19,889**	**78,19,889**

Fair value hierarchy

The Company held the following assets and liabilities measured at fair value. The Company uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

Amount in Rupees

Particulars	Level	March 31, 2021	March 31, 2020
Assets measured at fair value through profit or loss:			
Financial assets carried at fair value through profit or loss	Level 1 (Mutual Funds)	2,14,89,699	-
	Level 2	-	-
	Level 3	-	-
Liabilities measured at fair value through profit or loss		-	-

During the year ended March 31, 2021 and March 31, 2020 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The management of the company considers the fair value of all other financial assets and liabilities to approximate their carrying value at the balance sheet date based on the information available.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

25 Financial risk management objectives and policies:

In the course of its business , the Company is exposed to a variety of risk : market risk, liquidity risk and credit risk which may adversely impact the fair value of its financial instruments. There is an adequate risk management infrastructure in place capable of addressing these risks. The risk management policy states the Company's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. it prescribes the roles and responsibilities of the Company's management , the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate the financial risks in order to minimise potential adverse effects on the Company's financial performance. The risk management frame work aims to :

i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuation on the Company's business plans.

ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

The following disclosures summarise the Company's exposure to financial risks. Quantitative sensitivity analyses have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cashflows and financial position of the Company.

(A) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, trade payables, trade receivables and loans. The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the amount payable to vendors for Services which are used in business of the company and amount receivable from customers for sale of goods. Company's payable balance to vendors and receivable from customers are paid at spot rate applicable on the date of transaction and any fluctuation is treated as part of development cost and are charged to intangibles under development. The details of unhedged exposure to foreign currency is given in Note No 35.

Foreign currency sensitivity

The Company is mainly exposed to changes in USD, GBP, AUD and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP, AUD and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the unhedged exposure of the Company as at the reporting date. 5% represents management’s assessment of reasonably possible change in foreign exchange rate. The Company’s exposure to foreign currency changes for all other currencies is not material.

Amount in Rupees

Currency Type	Change in Rate	Effect on intangible assets under development		Effect on total equity	
		2020-21	2019-20	2020-21	2019-20
USD	(+)5%	95,267.20	-	-	-
USD	(-)5%	(95,267.20)	-	-	-
GBP	(+)5%	(4,944.80)	-	-	-
GBP	(-)5%	4,944.80	-	-	-
AUD	(+)5%	(7,351.75)	-	-	-
AUD	(-)5%	7,351.75	-	-	-
EURO	(+)5%	(4,289.70)	-	-	-
EURO	(-)5%	4,289.70	-	-	-

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s debt obligations which is NIL as at March 31, 2021 and March 31, 2020.

Interest rate sensitivity

Company is in the development stage and company does not have any debt obligation as at March 31, 2021 and March 31, 2020 which is carrying interest rate risk. Hence the impact of changes in interest rate on the profit / (Loss) or intangible assets under development will be NIL.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS
25 Financial risk management objectives and policies:

(B) **Credit risk**

Credit risk is the risk that counterparty will not meet its contractual obligations under a financial instrument or customer contract, leading to a financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks, foreign exchange transactions and other financial instruments.

No significant credit limits were exceeded during the reporting period other than those already identified and provided in the books.

The maximum exposure of financial assets subject to credit risk was equal to the respective carrying amounts on the balance sheet date. None of the financial assets subject to credit risk are impaired other than those provided for in the books of account. The Company has adopted a policy of dealing with counterparties that have sufficient credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Ageing analysis of the trade receivables from customers has been considered from the date it is due:

Amount in Rupees

Particulars	**March 31, 2021**	**March 31, 2020**
Upto 3 months	28,24,087	-
3 to 6 months	53,739	-
More than 6 months	-	-
Total	**28,77,826**	**-**

With respect to trade receivables, the Company has constituted the terms to review the receivables on a periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss under simplified approach. The expected credit loss allowance is based on the ageing of the receivables that are due and the past experience.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Hence the Company believes no impairment is necessary in respect of the above financial instruments.

The carrying values of the financial assets approximate its fair values. The above financial assets other than those provided are not impaired as at the reporting date. Other financial assets other than those provided in the books, are neither past due nor impaired at reporting date. The cash and cash equivalents are maintained with reputed banks.

The Company has not taken any collateral held against these assets as the counterparties are Banks, customers with proper background checks and Group Companies.

(C) **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability through sale of mutual funds and other medium.

Management monitors rolling forecasts of the Company's liquidity reserve (comprises cash and cash equivalents and funding from Holding Company) on the basis of expected cash flow. This is generally carried out by the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these; monitoring balance sheet liquidity ratios against internal and external regulatory requirements; and maintaining debt financing plans. The Company also issues debentures/sub debt to the parent company/ group companies from time to time to ensure a liquidity balance.

The following are the contractual maturities of non-derivative financial liabilities, including the estimated interest payment on an undiscounted basis which therefore differs from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the year end.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS
25 Financial risk management objectives and policies:

Amount in Rupees

Particulars	Repayable on demand	Due within 1 year	Due between 1 to 5 years	Due after 5 years	Total
As at March 31, 2021					
Non-derivative financial liabilities					
Borrowings from director	-	-	-	-	**-**
Trade payable	-	9,13,891	-	-	**9,13,891**
Other financial liabilities	-	78,00,289	-	-	**78,00,289**
Total	**-**	**87,14,180**	**-**	**-**	**87,14,180**
As at March 31, 2020					
Non-derivative financial liabilities					
Borrowings from director	35,00,000	-	-	-	**35,00,000**
Trade payable	-	20,000	-	-	**20,000**
Other financial liabilities	-	42,99,889	-	-	**42,99,889**
Total	**35,00,000**	**43,19,889**	**-**	**-**	**78,19,889**

(D) **Excessive risk concentration:**

Concentration indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Company's risk management policies and procedures consists of diversification into different business portfolios to manage business concentration credit risk. Identified concentrations of credit risks are controlled and managed accordingly.

(E) **Capital management**

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Group or the Company. The results of the Directors' review of the company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity shareholders of the company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return on capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is debt divided by total capital plus debt.

During the financial year 2020-21 company has settled all its debt obligation and has issued 0.0001% optionally fully convertible debentures. 0.0001% optionally fully convertible debentures are in the nature of equity instrument and accordingly has not been treated as debt/ borrowings but as instruments entirely in the nature of equity for the purpose of calculation of gearing ratio.

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Total Debt / borrowings	-	35,00,000
Capital Components		
Equity Share Capital	5,99,630	1,00,000
Reserves and Surplus	(1,26,068)	(79,220)
Total Capital	4,73,562	20,780
Capital and debt	**4,73,562**	**35,20,780**
Gearing ratio (%)	0.00%	99.41%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

26 Calculation of Earning per share

Basic Earning per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year. The Company has dilutive potential ordinary shares as at March 31, 2021 which will result in the EPS being anti-dilutive. Thus, diluted EPS equals basic EPS.

Particulars		March 31, 2021	March 31, 2020
a.	Nominal Value of Equity Shares (in Rupees)	10	10
b.	Total No. of Equity Shares outstanding at the beginning of the year	10,000	-
c.	Add: Shares Allotted during the year	49,963	10,000
d.	Total Number of Equity Shares outstanding at the end of the year	59,963	10,000
e.	Weighted average No. of Equity shares	40,936	10,000
f.	Profit / (Loss) as per Statement of Profit and Loss	(46,848)	(79,220)
	Less : Preference Dividend	-	-
	Less : Dividend Distribution Tax	-	-
	Net profit/ (Loss) available for equity share holders	**(46,848)**	**(79,220)**
g.	Basic and Diluted Earning per share (in Rupees) [(f)/(e)]	(1.14)	(7.92)

27 Contingent Liabilities and Commitments

Amount in Rupees

Particulars		March 31, 2021	March 31, 2020
i.	*Contingent Liability*	-	-
ii.	*Capital Commitments*	-	-

28 The Management of the Company is of the opinion that no provision is required to be made in its books of account, with respect to any material foreseeable losses under the applicable laws, accounting standards on long term contracts including derivative contracts.

29 Revenue from Contracts with Customers and Assets/Liabilities

With effect from 1 April 2020, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers'. It introduces a new five-step approach to measuring and recognizing revenue from contracts with customers. Under Ind AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

i) **Revenue from operations for the year ended March 31, 2021 and March 31, 2020 are as follows:**

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Revenue from contracts with customers :		
Income from sale of products	55,47,299	-
Income from sale of services	-	-
Total	**55,47,299**	**-**

Disaggregate revenue information:

The Company has presented disaggregated revenue from contracts with customers for the year ended March 31, 2021 and March 31, 2020 by product line and is of the opinion that, this disaggregation best depicts the nature, amount, timing of revenues and cash flows that are affected by the industry markets and other economic factors:

Amount in Rupees

Particulars	March 31, 2021	March 31, 2020
Revenue from contracts with customers :		
Income from sale of products :		
Income from sale of products	55,47,299	-
Income from sale of services :		
Income from sale of services	-	-
Total	**55,47,299**	**-**

The Company has not identified any disaggregated revenues based on offerings. Further the company has recognised the entire revenue, being in the development stage as a part of intangible assets under development.

ii) **Contract Balances**

The contract liabilities primarily relate to advance consideration received from customers for which revenue is recognized when the performance obligation is over / services are delivered.

Advance Collections is recognized when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards Sale of Goods. Revenue is recognized once the performance obligation is met i.e. on delivery of goods to the customers.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

Contract Balances — **Amount in Rupees**

Particulars	**March 31, 2021**	**March 31, 2020**
Receivables		
Current-	28,77,826	-
Contract Liabilities		
Current-		
Advance received from Customers	9,15,266	-

Considering the nature of business of the Company, the above contract liabilities are generally materialized as revenue within the same operating cycle.

iii) Increase/ Decrease in net contract balances is primarily due:
The movement in receivables and in contract liabilities is on account of invoicing.

iv) Revenue recognized during the year from the performance obligation satisfied upto previous year (arising out of contract modifications) amounts to Rs. Nil.

30 Employee Benefits

The disclosures as required as per the Ind AS 19 'Employee Benefits' are as under:

a. Brief description of the Plans :
The Company has long-term benefit schemes for gratuity and short term benefit plans for leave encashment. The Company's defined contribution plan is employees' provident fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The Company's defined benefit plan is gratuity.

b. Defined Contribution Plan:
'The Company's contribution to Provident Fund charged to Statement of Profit and Loss / capitalised during the year is Rs. 13,98,761.00 [March 31, 2020 : Nil] has been charged to Statement of profit and loss / capitalised].

c. Defined Benefit plans:
The following tables set out the Non- funded status of the gratuity plans and the amounts recognized in the Company's financial statements as at March 31, 2021 and March 31, 2020:

Amount in Rupees

Particulars	**March 31, 2021**
Change in Defined Benefit Obligation	
Opening defined benefit obligation	-
Current service cost (includes cost capitalized)	3,53,334
Interest cost	-
Past Service Costs - Plan Amendments	-
Acquisition Cost/(Credit)	-
Actuarial loss / (gain)	-
Benefits paid	-
Closing defined benefit obligation	**3,53,334**
Change in Fair Value of Assets	
Opening fair value of plan assets	-
Acquisition adjustment	-
Expected return on plan assets	-
Actuarial gain / (loss)	-
Benefits paid	-
Closing fair value of plan assets	**-**
Amount recognized in the Balance Sheet	
Present value of defined benefit obligations as at year end	(3,53,334)
Fair value of plan assets as at year end	-
Net asset / (liability) recognized	**(3,53,334)**
Amount recognized in the Statement of Profit and Loss under employee benefit expenses.	
Current service cost (includes cost capitalized)	3,53,334
Past Service Costs - Plan Amendments	-
Interest on defined benefit obligation	-
Total expense	**3,53,334**

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

c. Defined Benefit plans:

Particulars	Amount in Rupees March 31, 2021
Recognized in other comprehensive income for the year	
Actuarial changes arising from changes in demographic assumptions	-
Actuarial changes arising from changes in financial assumption	-
Actuarial changes arising from changes in experience adjustments	-
Return on plan assets excluding interest income	-
Recognized in other comprehensive income	-
Quantitative sensitivity analysis for significant assumptions is as below:	
Increase / decrease on present value of defined benefit obligation as at year end	
(i) one half percentage point increase in discount rate	(22,455.00)
(ii) one half percentage point decrease in discount rate	24,719.00
(iii) one half percentage point increase in salary escalation rate	24,828.00
(iv) one half percentage point decrease in salary escalation rate	(22,749.00)
(v) twenty five percentage point increase in employee turnover rate	(4,244.00)
(vi) twenty five percentage point decrease in employee turnover rate	4,202.00
(vii) ten percentage point increase in mortality rate	71.00
(viii) ten percentage point decrease in mortality rate	(70.00)
Principal actuarial assumptions used	
Discount rate (p.a.)	6.95%
Expected rate of return on plan assets (p.a.)	
Rate of increase in compensation levels	6.00%

Sensitivity Analysis Method

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by percentage, keeping all the other actuarial assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further more, in presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation, liability recognized in the Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes:

i. The estimates of future salary increases, considered in actuarial valuation, take into consideration for inflation, seniority, promotion and other relevant factors.

d. Leave Encashment

Liability towards Leave Encashment based on Actuarial valuation amounts to Rs. 6,11,341.00 as at March 31, 2021 [March 31, 2020: Rs. Nil].

e. The Code on Social Security,2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

31 List of Related Parties with whom transactions have taken place during the year:

Description of relationship		Name of the Related Parties
i. Ultimate Holding Company	:	Reliance Industries Limited w.e.f. August 18, 2020
ii. Holding Company	:	Reliance Retail Ventures Limited w.e.f. August 18, 2020
iii. Fellow Subsidiaries	:	Reliance Retail Limited w.e.f. August 18, 2020 Reliance Brands Limited w.e.f. August 18, 2020
iv. Key Management Personnel	:	Aditi Pany - Whole Time Director Shariq Mahomed Nasir Plasticwala - Director till August 19, 2020

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

Details of the transactions are as follows: **Amount in Rupees**

Sl. No	Particulars	March 31, 2021	March 31, 2020
A.	**Transactions during the year :**		
	Reliance Brands Limited		
	Sale of Goods	18,01,642	-
	Reliance Retail Limited		
	Purchase of Laptop	13,90,253	-
	Sale of Laptop	1,16,999	-
	Reimbursement of expenses**		
	Aditi Pany	43,47,878	9,11,669
	Managerial Remuneration*		
	Aditi Pany	36,68,028	-
B.	**Movement in Balance Sheet Items:**		
	Loan Taken from Director		
	Opening Balance	35,00,000	-
	Add : Received during the Year	-	35,00,000
	Less : Repaid during the Year	35,00,000	-
	Closing Balance	**-**	**35,00,000**
	0.0001% Optionally fully convertible debentures issued during the year		
	Reliance Retail Ventures Limited	10,95,00,000	-
C.	**Details of outstanding balances are as follows:**		
i)	Equity share capital held by		
	Aditi Pany	99,940	50,000
	Shariq Mahomed Nasir Plasticwala	-	50,000
	Reliance Retail Ventures Limited (Including it Nominees)	4,99,690	-
ii)	Instruments entirely equity in nature		
	0.0001% Optionally fully convertible debentures		
	Reliance Retail Ventures Limited	10,95,00,000	-
iii)	Trade Receivable		
	Reliance Brands Limited	1,07,125	-
iv)	Trade Payable		
	Reliance Retail Limited	1,237	-
v)	Reimbursement of expenses payable**		
	Aditi Pany	5,11,867	9,11,669

Note:

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

** Includes capital expenditure

1. The above information regarding related parties have been determined to the extent such parties have been identified on the basis of information available with the company.

Compensation of key managerial personnel of the Company*

Amount in Rupees

Sl.No	Particulars	March 31, 2021	March 31, 2020
a.	Short term employee benefits	35,13,948	-
b.	Post - Employment Benefits	1,54,080	-
c.	Termination Benefits	-	-
d.	Any other Payment/ benefits	-	-

* - Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognized as per Ind AS 19 - ‘Employee Benefits’ in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

MESINDUS VENTURES PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

32 The Company has entered into certain operating lease agreements for office premises and warehouses . During the year Rs. 15,80,000.00 has been capitalised in respect of those leases which are not considered for Right of use assets [March 31, 2020 : Rs. 4,700.00].

33 **Impact of Covid-19 :**

The impact of COVID-19 on the business operations for the Company is not significant as those were continuing normally. Further company is in initial stages of operation and engaged in 'Global B2B E-commerce' primarily catering to consumers globally under various consumption baskets. Global B2B E-commerce business is largely not materially impacted by COVID-19. Management has performed the assessment of the effect of COVID-19 on the recoverability of the value of assets as at the end of the year and liquidity position as well as business activities in the foreseeable future. Based on the assessment, the management is of the opinion that presently there are no significant concerns regarding recoverability of the value of the assets as well as on liquidity and continuity of the business. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions.

34 **Segment reporting as per Indian Accounting Standard 108 " Operating Segments"**

The Company is engaged primarily in the business of providing Technology Enabled solutions in India and abroad. The nature of business is ‘Global B2B E-commerce’ primarily catering to consumers globally under various consumption baskets. All the activities of the Company revolve around this main business. Accordingly the company is involved in providing technology-enabled platform solutions, for wholesale and retail sale of goods and services, dealing (including without limitation) in artisanal, design and lifestyle categories, across domestic and international markets. As per the requirements of Ind AS 108, " Operating Segments", the principal revenue generating activities of the Company is from trading of goods enabled by the technology platform being developed which is regularly reviewed by the Entity's Chief Operating Decision Maker (CODM) for the purpose of resource allocation and performance assessment. Accordingly, the management is of the view that the Company has a single reportable segment and the requirements of reporting on operating segments and related disclosures as envisaged in Indian Accounting Standard 108 is not applicable to the present activities of the Company.

The Company's only segment being trading of goods of 2 customers which have contributed more than 10% of the revenue during the year amounting to Rs. 35,88,689 [March 31, 2020 : NIL]. Entire revenue from sale of goods has been capitalised in intangible assets under development (for details refer Note 4a.).

35 **Derivative and Unhedged foreign currency exposure as at balance sheet date:**

There are no derivative instrument outstanding at the end of March 31, 2021 (March 31,2020 : Rs Nil).

The details of foreign currency exposure which have not been hedged by any derivative instrument or otherwise are as follows:

Particulars	Currency	March 31, 2021		March 31, 2020	
		Amount in Foreign Currency	Amount in Rupees	Amount in Foreign Currency	Amount in Rupees
Receivables	USD	30,240.31	22,08,773	-	-
	Euro	256.80	22,027	-	-
	GBP	1,541.46	1,55,009	-	-
	AUD	1,824.60	1,01,630	-	-
Advances received from customers	USD	4,265.23	3,03,429	-	-
	Euro	1,257.67	1,07,821	-	-
	GBP	2,586.88	2,53,905	-	-
	AUD	4,658.27	2,48,665	-	-

36 Previous year figures wherever necessary, have been regrouped and re-arranged to conform with those of the current year in terms of the adoption of Ind AS. The Company was incorporated on December 12, 2019, hence the previous year figures are not comparable since the same are not for full year.

As per our report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration Number: 107783W / W100593

For and on Behalf of the Board of Directors of
Mesindus Ventures Private Limited

Sudhir Prabhu K
Partner
Membership No: 209589

Place: Bengaluru
Date: 29.04.2021

Aditi Pany
Whole Time Director
DIN: 08194334

Place: Bengaluru
Date: 29.04.2021

Akhilesh Prasad
Director
DIN: 01757265

Place: Bengaluru
Date: 29.04.2021